

BEFORE THE  
POSTAL REGULATORY COMMISSION  
WASHINGTON, D.C. 20278-0001

MARKET-DOMINANT PRICE CHANGE

Docket No. R2021-1

**RESPONSE OF THE UNITED STATES POSTAL SERVICE TO  
CHAIRMAN'S INFORMATION REQUEST NO. 4**  
(October 28, 2020)

The Postal Service hereby responds to Chairman's Information Request No. 4, issued on October 22, 2020. The question is stated verbatim and is followed by the response.

Respectfully submitted,  
UNITED STATES POSTAL SERVICE

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### Special Services

1. Please refer to the discussion of Address Management Services. See Notice at 26-27.
  - a. The Postal Service states that “[t]he majority of the percent increase stems from changes to the additional copy factor pricing table (MCS section 1515.2, AMS Price Table for Single Issues or Additional Copies).” *Id.* at 26. Please indicate where the Postal Service has previously discussed moving away from their previous use of line item “ACY Licensing” to using the “Additional Copy Licensing” table.
  - b. The Postal Service states “[a]dditional copy volumes for certain Address Information Systems products under the Address Management Services were available beginning in FY 2020.” *Id.* at 27. Please confirm these changes went into effect on January 1, 2020. If not confirmed, please identify the date when these changes became effective.
  - c. The Postal Service states “[t]his factor pricing table multiplies the base price of a product by a factor to determine the price for a particular volume of additional copies of that product.” *Id.* at 26. Please provide an explanation of how the “existing factor” (0.5, 1, 1.5, 2, 2.5, 3, 3.5, 4, 4.5, 5, 6.5, 8, 9.5, and 11)<sup>1</sup> in the pricing calculations was determined.

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<sup>1</sup> Library Reference USPS-LR-R2021-1/5, October 9, 2020, Special Services Workpapers, Excel file “R2021-1 Special Services CapCalc,” tabs “K-1 Five-Digit Zip,” “K-1 City State,” “K-1 CRIS,” “K-1 Delivery Statistics,” “K-1 eLOT,” “K-1 RDI Service,” “K-1 Z4 (ZIP 4) Change,” “K-1 ZIP +4,” “K-1 DMM Labeling Lists,” and “K-1 Official National Zone Charts.”

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**RESPONSE:**

- a. As used in the billing determinants, the terms "ACY Licensing" and "Additional Copy Licensing" are interchangeable; they refer to the same volumes and revenues. The Postal Service began using the latter term because it better reflects the language used in Mail Classification Schedule section 1515.2 ("AMS Price Table for Additional Copies"). The Postal Service has not discussed this change previously.
- b. Not confirmed. No change has been made to the product. Rather, a reporting change for FY 2020 was made during the production of the Quarter 3 Billing Determinants report. Beginning in Quarter 3, more detailed data became available, making it possible to disaggregate Additional Copy Licensing transactions to the factor, rather than aggregate, level. The new data were retroactively populated into the Quarters 1 and 2 Billing Determinants.
- c. The pricing factors are taken from Mail Classification Schedule section 1515.2. They were included in the associated MCS language when the Commission added Address Management Services in 2010.<sup>2</sup>

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<sup>2</sup> Docket No. MC2009-19, Order No. 391 (Jan. 13, 2010); *see also* Docket No. MC2009-19, Request of the United States Postal Service to Add Postal Products to the Mail Classification Schedule in Response to Order No. 154 (Mar. 10, 2009), at Attachment A, p.11 (providing factors as part of MCS).